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FISCAL IMPACT REPORT

SPONSOR Sandoval DATE TYPED 1/26/05 HB 407

SHORT TITLE TANF Needy Families Funding SB _____

ANALYST Weber

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|------------|-----------------------------|------|----------------------|---------------|
| FY05 | FY06 | FY05 | FY06 | | |
| | \$25,000.0 | | | Recurring | General Fund |
| | | | | | |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 149
 Duplicates Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Human Services Department

SUMMARY

Synopsis of Bill

House Bill 407 appropriates \$25 million from the GENERAL FUND to The Human Services Department for the purpose of maintaining the temporary assistance for needy families program at the current level.

Significant Issues

Due to apparent depletion of non-recurring TANF carry forward funds from prior years, potentially approximately \$25 million of programs previously funded through TANF may not have a funding source in FY06. Recommendations by both LFC and DFA for the general appropriation act included funding at various levels for these programs making the \$25 million total larger than necessary to fund all programs at the current level.

FISCAL IMPLICATIONS

The appropriation of \$25 million contained in this bill is a RECURRING expense to the GENERAL FUND. Any unexpended or unencumbered balance remaining at the end of FISCAL YEAR 2006 shall revert to the GENERAL FUND.

POSSIBLE QUESTIONS

Should all of the programs be funded at the current level or adjustments made depending on demand?

MW/lg:yr